## Fiscal Estimate - 2017 Session

☑ Original ☐ Updated	Corrected		Supplem	ental			
LRB Number 17-5491/1	Introduction	Number	SB-859				
<b>Description</b> authorizing certain tax benefits for a paper prod village of Fox Crossing and making an appropri		facilities in the	e city of Ne	enah and			
Fiscal Effect							
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Fund Sources Affected Affected Ch. 20 Appropriations							
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Agency/Prepared By	Authorized Signature	d Signature		Date			
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## Fiscal Estimate Narratives WEDC 2/28/2018

LRB Number	17-5491/1	Introduction Number	SB-859	Estimate Type	Original	
Description						
authorizing certain tax benefits for a paper products manufacturer with facilities in the city of Neenah and						
village of Fox Crossing and making an appropriation						

## Assumptions Used in Arriving at Fiscal Estimate

SB-859 authorizes WEDC to certify a certain paper products manufacturing business as eligible to claim tax credits. The business may be eligible to claim certain income and franchise tax credits based upon the payroll of eligible full-time employees and significant capital expenditures located in Neenah and Fox Crossing. Subject to certain limitations, the business may earn tax credits of 17 percent on eligible wages and 15 percent on significant capital expenditures.

Using available labor market information for the Paper Manufacturing Industry (NAICS 322xxx) in the Appleton region, WEDC estimates the average annual wages and salary to be between \$65,000 and \$75,000 per job. Assuming a base payroll of 610 full-time employees in Neenah and Fox Crossing, WEDC could certify the business as eligible to earn approximately \$6.7 and \$7.8 million per year for up to 15 years.

WEDC will be able to absorb the cost of administering the new statutory requirements under the proposal.

**Long-Range Fiscal Implications**